

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6458**

**BILL NUMBER: SB 71**

**DATE PREPARED:** Feb 22, 2002

**BILL AMENDED:** Feb 21, 2002

**SUBJECT:** Rest Breaks for Minors, Worker's Compensation, Job Sharing.

**FISCAL ANALYST:** Chuck Mayfield

**PHONE NUMBER:** 232-4825

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill changes the requirement that a child working at least six consecutive hours be provided a rest break of at least 30 minutes to a requirement that a child working at least eight consecutive hours be provided one or more rest breaks totaling at least 30 minutes. It removes the specified period of time during a child's work day in which the child must be provided a rest break. The bill provides that a child less than 18 years of age working between the hours of 10 p.m. and 6 p.m. must be accompanied during those hours by another employee at least 18 years of age if the establishment is open to the public. It reduces worker's compensation to an employee by 15% for failure to use certain safety appliances or failure to obey certain safety requirements (instead of denying compensation altogether). The bill also establishes work sharing unemployment compensation benefits. It provides workers compensation benefits to an employee who was traveling to or from or engaged in the duties of employment at the time of a terrorist attack and was injured or died as a result of the attack. The bill makes conforming amendments.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** (Revised)*Child Labor:* The changes in this bill could have a minimal administrative impact on the Department of Labor in so far as the Department is charged with overseeing employers' compliance with the state's labor laws. The Department of Labor employs four child labor inspectors.

*Work Sharing Unemployment Compensation Benefits:* The bill allows for the development of a job sharing plan by a business with the approval of the Department of Workforce Development. The plan would list the individuals involved in the job sharing, and the plan would be limited to a duration of not more than six months. During that time an individual could receive partial unemployment benefits. The benefit would equal the benefit the individual would be eligible for times the percentage reduction in working hours due to the job sharing. The fiscal impact is unknown. The bill would give businesses an option during economic slowdowns.

*Worker's Compensation Benefits for Terrorist Attacks:* The bill provides Worker's Compensation benefits to an employee in certain situations when the employee was traveling to work and the employee was killed or injured by the attack. The impact is unknown but would probably be minimal.

*Worker's Compensation Benefits for Failure to Use Safety Appliance:* The bill provides for a 15% reduction in compensation to an employee whose injury or death was caused by the employee's intentional failure to use safety equipment or obey safety orders and regulations. The reduction under current law is 100%. The number of employees that might be affected and the impact is unknown. The bill would increase benefits to some employees.

The state is impacted as an employer. The state spent \$3.1 M in FY 1997, \$3.4 M in FY 1998, \$3.7 M in FY 1999, \$3.9 M in FY 2000, and \$4.5 M in FY 2001 on worker's compensation payments

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised)*Child Labor:* The bill deletes the exemption from the rest break requirement for minors employed at camps operated by nonprofit entities. The impact of the bill on affected local entities is expected to be negligible.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Labor, Department of Workforce Development, Worker's Compensation Board, and All State Agencies.

**Local Agencies Affected:** Camps and similar facilities operated by cities, towns, or counties.

**Information Sources:**